

ENTERED

February 02, 2025

Nathan Ochsner, Clerk

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:

Alexander E. Jones,

Debtor.

§
§ Chapter 7§
§ Case No. 22-33553 (CML)§
§

In re:

Free Speech Systems, LLC

Debtor.

§
§ Chapter 7§
§ Case No. 22-60043 (CML)§
§**ORDER APPROVING TRUSTEE'S EXPEDITED MOTION FOR APPROVAL OF AND
AUTHORITY TO COMPROMISE PURSUANT TO BANKRUPTCY RULE 9019**
(Relates to Docket No. 1018)

The Court considered the *Motion for Approval of and Authority to Compromise Pursuant to Bankruptcy Rule 9019* (“Motion”), filed by Christopher R. Murray in his capacity as chapter 7 trustee (“Trustee”) for the bankruptcy estate of Alexander E. Jones (“Estate”),¹ any responses filed, the record in this case, the evidence presented at a hearing on this matter, if any, and the arguments of counsel, and finds that (i) it has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the Amended Standing Order and venue is proper pursuant to 28 U.S.C. § 1408; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A),(B),(C),(E), and (O); (iii) this Court may enter a final order consistent with Article III of the United States Constitution; (iv) notice of the Motion was proper and adequate; (v) the Trustee exercised reasonable business judgment in seeking approval of and authority to enter into the proposed compromise of disputes between the Trustee and Elevated Solutions Group, LLC (“ESG”, together with the Estate and FSS the “Parties”) under the terms described in the Motion and in this Order; (vi) the proposed compromise was negotiated by the Trustee and ESG at arm’s length and in good faith; (vii) the Trustee has authority to agree to the proposed compromise with ESG on behalf of Free Speech Systems, LLC (“FSS”) and the Estate; (viii) the relief requested in the Motion meets the criteria for approval of a compromise under FED. R. BANKR. P. 9019 and by the Fifth Circuit; (ix) the relief requested in the Motion is in the best interest of the Bankruptcy Estate, its creditors, and any stakeholders; and (x) good cause exists to grant the relief requested in the Motion. Accordingly, it is hereby **ORDERED** that:

¹ Capitalized terms not expressly defined herein shall have the meaning used in the Motion.

1. The compromise between the Trustee and ESG as described in the Motion is approved pursuant to FED. R. BANKR. P. 9019.
2. ESG agrees to waive and release claims against the Estate and FSS, as set forth in paragraph 5 and 8 herein, in exchange for a total settlement payment of \$500,000.00 (the “Settlement Payment”). The Trustee agrees to satisfy the Settlement Payment from funds held in the Registry of the Court and a cash payment from FSS assets in the Estate.
3. The Clerk of the Court is ordered to pay \$449,827.73 plus any accrued interest (the “Registry Disbursement”) to “Elevated Solutions Group, LLC” from the funds previously accepted for deposit by CMC Consulting, LLC (“CMC”) into the Registry of the Court pursuant to prior Order of this Court entered on June 13, 2024 in Adversary Proceeding No. 24-03038 at Docket No. 19, including any accrued interest; and mail the check to “Elevated Solutions Group, LLC c/o Walker & Patterson, P.C., Attn: Johnie Patterson, P.O. Box 61301, Houston, Texas 77208-1301. This Order is not stayed. The Clerk should act promptly to implement the disbursements from the Registry of the Court.
4. Within 3 business days after ESG receives the Registry Disbursement, the Trustee shall pay ESG any remaining balance on the Settlement Payment from FSS assets in the Estate (“FSS Cash Disbursement”) by mailing a check made payable to “Elevated Solutions Group, LLC” c/o Walker & Patterson, P.C., Attn: Johnie Patterson, P.O. Box 61301, Houston, Texas 77208-1301.
5. On behalf of FSS and/or the Estate, the Trustee hereby releases and waives any and all claims against ESG and anyone acting on its behalf and ESG hereby releases and waives any and all claims against the Estate, the Trustee, and/or FSS arising from or relating in any way to the events or transactions that are the subject of the ESG Adversary, the Platinum Stipulation, and/or the termination or rejection of the contracts and/or agreements between ESG and FSS effectuated by the Settlement. The Parties are authorized to execute any documents necessary to memorialize, effectuate, and exchange the mutual release of claims between the Trustee, the Estate, FSS, and ESG.
6. Adversary Proceeding No. 24-03038, *Elevated Solutions Group, LLC v. Free Speech Systems LLC et. al.*, is hereby dismissed with prejudice and the Clerk of the Court is ordered to close that case.
7. The Parties’ rights and/or obligations under the *Joint Stipulation and Agreed Order Resolving Distribution of Platinum Products Sales Proceeds* [FSS Case Dkt. No. 729]² are fully satisfied and discharged.
8. ESG hereby releases and waives any interest in the ESG Inventory, including any claims or rights to receive any further payments relating to the sale of any ESG Inventory. The contracts and/or agreements between the Parties that are the subject of the Adversary Proceeding and/or Platinum Stipulation are hereby terminated and/or rejected pursuant to 11 U.S.C. §365.
9. The Parties shall take all actions necessary to consummate the terms of the proposed compromise approved by this Order, including but not limited to executing any documents as may be needed.

² Reference to “FSS Case Dkt.” refers to docket entries in Case No. 22-60043..

10. Any stay of this Order, including any stay under FED. R. BANKR. P. 6004(h) is hereby waived.
11. The Clerk of the Court is directed to file a copy of this Order on the docket in Case No. 22-60043 and Adversary Proceeding No. 24-03038.
12. This Court retains jurisdiction over all aspects of this Order and the Motion.

Signed: February 02, 2025


Christopher Lopez
United States Bankruptcy Judge

AGREED:

JONES MURRAY LLP

/s/ Erin E. Jones

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